

MINUTES OF THE MEETING OF THE FOOD STANDARDS SCOTLAND BOARD HELD 19 MAY 2021 FROM 10:30 TO 16:00 VIA VIDEO CONFERENCE

Present

FSS Board

Ross Finnie, Chair
Louise Walsh, Deputy Chair
Sue Walker
Carrie Ruxton
Heather Kelman

FSS Executive

Geoff Ogle, Chief Executive
Julie Hesketh-Laird, Deputy Chief Executive and Director of Strategy, Communications and Programmes
Ian McWatt, Deputy Chief Executive and Director of Policy, Science and Operations
David Gally, Chief Scientific Adviser
Diane Strachan, Head of Private Office
Joanne Smith, Board Secretary

Apologies

Marieke Dwarshuis

1. Introduction, apologies, matters arising

- 1.1 The Chair, Ross Finnie, welcomed everyone to the Food Standards Scotland meeting.
- 1.2 Apologies were received from Marieke Dwarshuis.

2. Declaration of Conflict of Interest

- 2.1 No conflicts of interest were declared by Board members

3. Minutes of meeting held 17 February 2021 and Action Log

- 3.1 Some amendments to the Minutes were required and these will be redistributed once finalised.

4. Action Log

- Action 2019/01 – being discussed as part of today's Agenda
- Action 2019/03 – update provided, see Action Log
- Action 2019/04 – update provided, see Action Log

5. Chairs Report

- 5.1 The Chair advised that, after a break due to Covid-19, on the 26 April he and Geoff Ogle, Chief Executive met with the new Chair at FSA, recently announced as Professor Susan Jebb, the Chief Executive Emily Miles and the interim FSA Chair Ruth Hussey. The topics discussed included protocols, frameworks and gene editing, and although gene editing is being led by Defra,

both FSS and FSA agreed to work collaboratively to ensure our views are taken into account. Regular meetings will be re-established.

- 5.2 There are positive signs that we are finally emerging from the time consuming, albeit important work arising from EU Exit and Covid-19, which will allow us to focus on our core business once more.
- 5.3 He advised the launch of the new FSS strategy was picked up by a variety of media outlets, including press and radio, with himself and Geoff both making radio appearances.

6. Chief Executive's Report

- 6.1 The Chair invited Geoff Ogle, Chief Executive to provide an oral update to supplement his written report.
- 6.2 Geoff reported that all C2 Heads of Division have now been appointed, there are four C1 positions still to be filled. There are currently 47 vacancies across the organisation. Garry McEwen met with Scottish Government Human Resources (SG HR) last week to discuss recruitment delays, however this didn't provide much by way of progress.
- 6.3 Geoff highlighted that recruitment delays have significant impact in terms of budgeting performance, as staffing is FSS main cost.
- 6.4 Following the recent Scottish election and cabinet re-shuffle, Fergus Ewing has stepped down as Cabinet Secretary for Rural Economy, and Jeanne Freeman Cabinet Secretary for Health and Sport, has retired.
- 6.5 A new area has been launched on our website for nutrition, and Healthier Catering Guides for businesses have recently been published.
- 6.6 A Pulse survey was conducted across the organisation to capture staff thoughts on returning to the office, with 66% of the 77% who responded favouring a blended approach. The findings showed that 100% of respondents felt well supported whilst working from home, with many reporting their work life balance improved, some further analysis will be undertaken. It is unlikely there will be a return to the office prior to August, however the Executive will continue to update the Board.

7. Organisational Update, to include Covid-19, Brexit (including amended summary of legislation), Future Structures, ELT / Governance update

- 7.1 The Chair invited Caroline Thomson, Head of Corporate Services Functions and Records Management, to present her paper which provided an overview from June 2020 until the present time, and invited questions and comments.
- 7.2 The Board sought assurance that FSS are exploring options regarding the continued challenges with recruitment via SG HR. They were advised that a

temporary HR resource is being brought on board in the next few weeks, meantime Garry McEwan is undertaking a gap analysis exercise and engaging with a senior contact at SG.

- 7.3 The Board received assurance there would be no loss of official controls for feed delivery once the new model is adopted. Ian McWatt, Deputy Chief Executive and Director of Policy, Science and Operations, also advised that a Head Feed Officer has been successfully recruited.
- 7.4 The Board expressed concern about the lack of leave taken by, particularly, field staff and sought assurance that contingencies are in place for when staff request time off. Ian explained that due to the backlog that exists across SG the carry over allowance for leave has increased from 2 to 4 weeks, meantime Operations Managers are keeping a close eye to ensure that meat delivery goes uninterrupted.
- 7.5 The Board sought assurance that we are engaging and supporting Local Authorities (LA's) in their re-start plans. Ian confirmed any issues encountered will be highlighted via the Scottish National Database, which will allow close monitoring and assistance where required.

Following discussion the Board:

- **Noted, discussed and provided a view** on the continued management of the COVID-19 pandemic and the implementation of EU Exit and FSS Future Structures, two key FSS programmes.
- The Chair took the opportunity to thank Caroline on behalf of all the Board, and wished her a happy retirement.

8. Final Version of FSS Corporate Plan

- 8.1 The Chair invited Jacqui McElhiney, Future Programme Manager, to present her paper, and invited questions and comments.
- 8.2 The Board unanimously agreed the Corporate Plan was very clear, and provided a strong link between the new strategy and future work. With regard to the Equality Impact and Fairer Scotland Duty Assessments produced to support the new strategy, Jacqui acknowledged there were some evidence gaps which would need to be taken into account when new policies and projects were being developed. She noted that FSS now had dedicated resource for Social Research, which would enable these to be addressed.
- 8.3 The Board also highlighted the importance of people and skills and received assurance that although training and recruitment is mentioned specifically in Year 1 of the Corporate Plan these are ongoing activities. It was noted that the Workforce Plan would be presented to the Board at a future seminar.

ACTION 2021/10 – Jacqui McElhiney

Following discussion the Board:

- **Noted** that we have now published the finalised strategy document on a new dedicated page on the FSS website, after launching it with key stakeholders and the media;
- **Provided comments** on the corporate plan and confirmed they are satisfied that the activities described will adequately address FSS strategic priorities over the next 3 years;
- **Noted** the timeline outlining priority activities during 2021/22, and plans for updating this on an annual basis to monitor delivery against the six strategic goals.

9. Review of Governance Documents including Statement of Performance of Functions and Standing Orders

- 9.1 The Chair invited Diane Strachan, Head of Private Office, to present her paper and invited questions and comments thereafter.

Following discussion the Board:

- **Noted** the content of the updated governance documents, however it was requested that clarification to sufficiently reference FSS additional responsibilities be added to the Framework document at Page 5. Wording on Page 13 at 4.2 is also to be reviewed to ensure the remit is clear. At Page 6 it was requested a paragraph be added regarding promoting sustainability, and the document will be amended. The Board also requested that the Memorandum and Statement on Performance of functions be amended to reflect advice from the minister/SG on our nutrition remit, and this will be addressed.

ACTION 2021/11 – Diane Strachan

- **Agreed** the updated governance documents for adoption and publication.
- **Agreed** to the publication of Audit Reports as per the recommendations of the ARC.

10. Performance Reporting

- 10.1 The Chair invited Ian McWatt, Deputy Chief Executive and Director of Policy, Science and Operations to present his paper on Performance Reporting and invited questions and comments thereafter.

- 10.2 Ian clarified that although we have a great deal of influence, where animal welfare is concerned Sheila Voas at SG leads on policy.
- 10.3 The Board received assurance that the Official Control Verification system is complementary to the current Official Control system, to ensure consistent treatment of approved establishments.
- 10.4 The Board noted the positive impact raising awareness of animals being presented for slaughter whilst in late stage pregnancy had had and received assurance that any further developing patterns would trigger future awareness campaigns. It was agreed that establishing both the Scottish Livestock Welfare Group and the Scottish Meat Industry Forum have netted positive benefits.

Following discussion the Board:

- **Noted** that measures on Pages 9, 10 and 11 related to Veterinary Audits and Audit Assurance have been impacted by Covid related capacity issues and measures are not reflective of the measures that would be reported during a standard six monthly period.
- The Board **Considered** and **commented** on the reported performance metrics, gaining assurance that all slaughterhouse welfare incidents are reported at the Scottish Livestock Welfare Group, allowing transparency and follow up.

11. Outcomes Report

- 11.1 The Chair invited Ian McWatt, Deputy Chief Executive and Director of Policy, Science and Operations to present the Outcomes Report, which will be updated on a six monthly basis, and run over the course of the 3-year corporate plan.
- 11.2 The Board received assurance that there is no evidence to suggest that food fraud is increasing. The SFCIU are now fully staffed, mainly by ex-Police Scotland, and our ability and understanding of the environment has improved.

Following discussion the Board:

- **Discussed** the trends in the indicator data under each of the six FSS corporate outcomes and
- **Noted** that Scottish Food Sampling has been impacted by Covid-19 which led to significantly fewer samples being taken over the year. Formal enforcement notices and written warnings are unavailable for the reporting year 2020-21 due to a change in the system used for recording enforcement actions.

12. Revised Strategic Risk Register

- 12.1 The Chair invited Ruth Dewar, Performance Reporting Officer, to present her paper regarding a revised approach to the management of the Strategic Risks and the inclusion of Integrated Assurance.

Following discussion the Board:

- **Noted** the closure of the old Strategic Risk Register and the introduction of a revised template that hosts the newly composed risks;
- **Noted** and **discussed** the introduction of an integrated Risk Assurance approach;
- **Discussed** and **agreed** the new risks put forward for inclusion within the Strategic Risk Register and identified whether there were any other risks to be considered;
- **Discussed** the information provided in the report and within the Strategic Risk Register at Annex A including the assessed levels of risk, direction of travel and action taken to mitigate any risks identified and
- **Noted** that the Risk Management Policy and Guidance is currently under review to bring it into line with recently revised Scottish Government guidance.

13. Update to Financial Approach 2021/22

- 13.1 The Chair invited Elaine McLaughlin, Head of Finance & HR, to present her paper and invited questions and comments.
- 13.2 Elaine pointed out that due to the number of vacancies within the organisation the Executive had taken the decision to work with a 10% vacancy assumption, which explains why there is an over-allocation of budget, however she assured the Board that regular updates will be provided throughout the year.
- 13.3 Elaine also clarified that some of the project activity that was delayed last year is rolling over to this year, such as the development of IT systems, however these may again be delayed due to unfilled vacancies.
- 13.4 The Board asked whether FSS gain from the introduction of Fixed Penalty Notices and were advised that any income generated goes straight to the exchequer under Proceeds of Crime.

Following discussion the Board:

- **Noted** that the Executive has progressed with the 2021/22 budget allocation as outlined to the Board at its February meeting to fund essential core activity, new activities post EU Exit, the Regulatory Strategy and Nutrition work programmes;

- **Noted** the assurance that further funding of £3.5m will be transferred in year as part of the budget review and
- **Noted** the risks and issues associated with the budget for 2021/22.

14. Finance Performance Report for Quarter 4

14.1 The Chair invited Elaine McLaughlin, Head of Finance & HR, to present her paper, the highlights of which being an indicative 9% underspend, mainly relating to staff vacancies and programme underspend. Elaine also reported that there had been a significant reduction in FSS debt, around 38% from the previous year, and finance are actively working to reduce debt older than 31 days.

14.2 Elaine confirmed that she is currently drafting the Annual Performance Report and it will be with Board Members shortly.

Following discussion the Board:

- **Noted** the financial information and provisional year end position reported as of 31 March 2021 and
- **Noted** the final Resource and AME budget amounts for 2020/21

15. ARC Annual Report to the Board

15.1 The Chair invited Sue to present the ARC Annual Report and invited questions and comments, there were none.

16. Audit and Risk Committee Oral Update

16.1 The Chair invited Sue Walker, Audit and Risk Committee (ARC) Chair to give an oral update of the ARC meeting held 5 May 2021. Sue noted that audit recommendations continue to be implemented quickly and diligently. SGIAAD concluded that the draft Best Value framework was too detailed and onerous and agreed with FSS Senior Management that it should be more strategic and proportionate, IA will conduct an advisory best value review of Governance and Accountability in 2020/21.

16.2 She noted the internal auditors had given a reasonable annual audit opinion for 2020/21 which reflects the excellent work undertaken by FSS in a very challenging year. They particularly noted FSS Brexit response was well handled and the response to Covid-19 was robust.

16.3 The new SG Risk Management Guidance was issued in April and will be a useful aid as FSS continues to reshape its own approach to Risk Management and Assurance.

- 16.4 **Official Controls Delivery Assurance** – ARC received the audit report on Imported Food controls which received only limited assurance with recommendations largely related to documentation and training, an audit of training re official controls has been scheduled for this year.
- 16.5 ARC received the annual assurance statement which showed that whilst official controls are suitable to achieve their objectives, there is a need to continue the strengthening of processes and controls, particularly relating to the updating of guidance and documentation. FSS management continue to promptly address recommendations.
- 16.6 ARC discussed the transparency of official controls audit reports in the context of EU-Exit and the transfer of official controls audits from FSA to FSS.
- 16.7 **External Audit Matters** – The annual audit plan will be delayed due to Covid pressures and discussions are underway to finalise the timetable.
- 16.8 **Assurance and Risk Matters** – ARC noted the positive assurance provided by the assurance mapping with most areas of business showing good or outstanding assurance, and were assured that the organisation’s strategic risks continue to be effectively managed during transition from the old to the new strategic risk registers.
- 16.9 **Fraud and Significant Losses Annual Report** – ARC received the annual report on fraud and significant losses and were pleased to hear no cases of fraud had been reported during the year. E- training opportunities have been improved and FSS continues to contribute to the National Fraud Initiative. There was a minor write off associated with a small salary overpayment and there were no assets written off in 2020/21.
- 16.10 **Health, Safety and Environment Annual Report** – ARC were pleased to see the positive approach to health and safety within FSS and within the vast majority of FBOs in which staff operate. Levels of injury are very low with one RIDDOR reportable incident. In future ARC will take the annual environment report in the autumn to better tie in with SG reporting requirements.
- 16.11 **ARC matters** – ARC finalised proposed changes to the Terms of Reference and agreed the annual report.

Q & A

No other business was discussed, the meeting closed at 16:00

Close